

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
KENTUCKY WATER SERVICE COMPANY)
REDUCING RATES FOR ITS CUSTOMERS) CASE NO. 8165-A
IN MIDDLESBORO, KENTUCKY, AND)
VICINITY)

O R D E R

On January 7, 1982, Kentucky Water Service Company, Inc., ("Kentucky Water") filed its application with the Public Service Commission ("Commission") seeking approval of a purchased water adjustment reducing its rates for customers in Middlesboro, Kentucky, and vicinity. Kentucky Water's supplier for the Middlesboro area is the Fern Lake Company. Pursuant to an Order of the Commission in Case No. 8276, the wholesale rates charged by the Fern Lake Company were reduced for water sold to Kentucky Water on and after December 9, 1981.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

(1) The Fern Lake Company reduced the wholesale cost of water, effective December 9, 1981.

(2) The calculation for the purchased water adjustment made by Kentucky Water reducing its rates in the amount of 5 cents per 1000 gallons is correct and should be approved.

(3) The base rates for the future application of the purchased water adjustment clause for customers in Middlesboro, Kentucky, and vicinity should be:

Supplier

Fern Lake Company	First 41,667,000 Gallons	\$5325.00 minimum
	Each additional 1000 Gallons	.14 per 1000 Gallons

There is an additional monthly surcharge of \$1,793.40 pursuant to P.S.C. Order in Case 7292.

(4) The rates proposed by Kentucky Water for customers in Middlesboro, Kentucky, and vicinity and shown in Appendix A attached hereto are fair, just and reasonable and should be approved.

(5) The tariff sheets filed by Kentucky Water are correct and should be approved.

IT IS THEREFORE ORDERED that the purchased water adjustment sought by Kentucky Water for customers in Middlesboro, Kentucky, and vicinity and the rates in Appendix A attached hereto be and the same are hereby approved effective for billing on and after January 1, 1982.

IT IS FURTHER ORDERED that for the purpose of future application of the purchased water adjustment clause of Kentucky Water for customers in Middlesboro, Kentucky, and vicinity, the base rate for water purchased shall be;

Supplier

Fern Lake Company

First 41,667,000 Gallons
Each Additional 1000
Gallons

\$5,325.00 Minimum

.14 per 1000
Gallons

There is an additional monthly surcharge of \$1,793.40 pursuant to P.S.C. Order in Case 7292.

IT IS FURTHER ORDERED that the tariff sheet filed by Kentucky Water be and it is hereby approved. The sheet herein approved is Third Revised Sheet No. 8.

Done at Frankfort, Kentucky, this 29th day of January, 1982.

PUBLIC SERVICE COMMISSION

Martin M. Vohy
Chairman

Katherine Randall
Vice Chairman

Don Carreger
Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 8165-A DATED JANUARY 29, 1982.

The following rates are prescribed for the customers served by Kentucky Water Service Company in Middlesboro, Kentucky, and vicinity. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

<u>Gallonge Block</u>	<u>Monthly Rate</u>
First 1,000 Gallons	\$5.00 Minimum
Next 9,000 Gallons	1.90 Per 1000 Gallons
Next 15,000 Gallons	1.75 Per 1000 Gallons
Next 25,000 Gallons	1.60 Per 1000 Gallons
Next 50,000 Gallons	1.45 Per 1000 Gallons
Over 100,000 Gallons	1.35 Per 1000 Gallons